

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

**H.B. 788**  
**Apr 14, 2015**  
**HOUSE PRINCIPAL CLERK**

H

D

HOUSE DRH30290-LEx-36 (02/13)

Short Title: Amend Constitution Re: Use of Lottery Funds.

(Public)

Sponsors: Representative L. Hall.

Referred to:

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE CONSTITUTION TO GUARANTEE THAT LOTTERY FUNDS  
ARE USED TO SUPPLEMENT AND NOT SUPPLANT OTHER FUNDING FOR  
PUBLIC EDUCATIONAL PURPOSES.

The General Assembly of North Carolina enacts:

**PART I. CONSTITUTIONAL AMENDMENT**

**SECTION 1.(a)** Article V of the Constitution of North Carolina is amended by  
adding a new section to read:

**"Sec. 15. Use of Lottery Funds.**

The net proceeds of any lottery operated by the State shall be used only for public  
educational purposes and shall be used to supplement and not supplant other funds from any  
source appropriated for those public educational purposes. The power of the Governor under  
Article III, Section 5, of the Constitution, to reduce expenditures shall not be exercised as to the  
net proceeds of the lottery and does not allow those funds to be diverted to other purposes."

**SECTION 1.(b)** The amendment set out in subsection (a) of this section shall be  
submitted to the qualified voters of the State at the general election in November 2016, which  
election shall be conducted under the laws then governing elections in the State. Ballots, voting  
systems, or both may be used in accordance with Chapter 163 of the General Statutes. The  
question to be used in the voting systems and ballots shall be:

"[ ] FOR [ ] AGAINST

A constitutional amendment providing that the net proceeds of any lottery operated by the  
State shall be used only for public educational purposes and shall be used to supplement and  
not supplant other funds from any source appropriated for those public educational purposes.

**PART II. CONFORMING CHANGES**

**SECTION 2.(a)** G.S. 18C-102 reads as rewritten:

**"§ 18C-102. Purpose and intent.**

The General Assembly declares that the purpose of this Chapter is to establish a  
State-operated lottery to generate funds ~~for the public purposes described in this Chapter only~~  
for public educational purposes."

**SECTION 2.(b)** G.S. 18C-164(c) reads as rewritten:

"(c) The General Assembly shall appropriate the remaining net revenue of the Education  
Lottery Fund annually in the Current Operations Appropriations Act for ~~education-related~~  
purposes, public education purposes only, based upon estimates of lottery net revenue to the  
Education Lottery Fund provided by the Office of State Budget and Management and the Fiscal



1 Research Division of the Legislative Services Commission. These funds shall be used to  
2 supplement and not supplant other funds from any source appropriated for those public  
3 educational purposes.

4 A security interest shall not be granted in funds appropriated pursuant to this subsection."  
5

### 6 **PART III. EFFECTIVE DATES**

7 **SECTION 3.(a)** If a majority of votes cast on the question are in favor of the  
8 amendment set out in Section 1(a) of this act, the State Board of Elections shall certify the  
9 amendment to the Secretary of State. The constitutional amendment shall become effective  
10 upon such certification. The Secretary of State shall enroll the amendment so certified among  
11 the permanent records of that office.

12 **SECTION 3.(b)** Section 2 of this act becomes effective only upon approval by the  
13 voters of the constitutional amendment proposed in Section 1 of this act. If the constitutional  
14 amendment proposed in Section 1 is approved by the voters, Section 2 of this act becomes  
15 effective upon this certification and applies beginning with the 2016-2017 fiscal year.

16 **SECTION 3.(c)** Section 1(b) of this act is effective when this act becomes law.